



Media Release

03 February 2026

Credit Corp on track to achieve FY26 NPAT growth of 6 to 17 per cent

Australia's largest provider of responsible financial services to the credit-impaired consumer segment, Credit Corp Group Limited (Credit Corp or the Company), reports the following highlights for the first half of the 2026 fiscal year (H1 FY26):

- US collections +23% versus prior corresponding period (pcp)
- Record lending volume and +7% loan book growth over the half year
- Strong growth in the AU/NZ debt ledger investment pipeline to \$120 million

Net Profit after Tax (NPAT) of \$44.1 million was in line with the prior year. This reflected reduced earnings in H1 arising from strong loan book growth and disruptions to AU/NZ purchased debt ledger (PDL) purchasing only remedied late in the first half. Both these factors will produce higher H2 earnings, and the Company reaffirms its full year NPAT growth of 6 to 17%, in accordance with previous guidance.

US debt buying

US operational performance continued to improve during the half. Productivity was 41% higher vs the pcp and the book of payment arrangements (including litigated payers) ended the half 5% higher than the pcp.

While the US business is already competitive, there remains room for further operational improvement. A key focus area has been the outsourced legal collections channel. Over the past 12 months, significant changes have been made to the composition and management of the third-party collection attorney network. While there is expected to be a lead time to realising the benefits of these changes, recent data points are showing signs of improvement.

Additional forward flow volume has been secured during the current re-tendering period, increasing the investment pipeline to \$A157 million. Full year US investment is now likely to be in the range of A\$160-180 million.

Credit Corp Chief Executive Officer, Thomas Beregi noted that despite recent changes in the approach to the collection of [US] Federal student loans, as well as generally mixed economic data, Credit Corp has not experienced any deterioration in collection performance, stating: “*[US] debt collection outcomes, including payment arrangement delinquency, have not shown any deterioration since mid-2023 despite a modest increase in unemployment over the same period.*”

AU/NZ consumer lending

Refreshed marketing and improved operational execution have produced record half-year loan volumes. New customer volume grew +25% vs pcp. While Reserve Bank of Australia (RBA) statistics indicate a modest recovery in unsecured credit demand, more granular credit bureau data suggests that credit impaired segment demand has remained flat. Accordingly, Credit Corp's market leading Wallet Wizard product has succeeded in growing its share of the credit impaired market segment.

While the Wallet Wizard component of the loan book grew to \$442 million, gross of provisions, the Company also progressed initiatives to sustain longer-term lending segment growth. The Wizit digital credit card acquired more than 4,000 new customers over the half, with the book reaching \$17 million in December. In the UK, the Company is presently building its systems and processes and remains on track to commence lending late in the second half.

AU/NZ debt buying

The AU/NZ debt buying business suffered from disruptions to forward flow purchasing arrangements during the half, with several issuers temporarily suspending debt sale. While much of this was remedied with the receipt of backlog files during December, it did impact collections.

The receipt of backlog files has been supplemented with several one-off purchases in December and January. These included a large run-off credit card book which brought the AU/NZ FY26 investment pipeline to \$120 million. This has increased FY26 investment expectations to a range of \$120-150 million. This additional purchasing will produce stronger collections and earnings in the AU/NZ debt buying segment over the second half.

While the AU/NZ debt buying market remains competitive as buyers attempt to secure volume in a diminished post-COVID market, there are some early signs of increasing supply. Interest bearing credit card balances grew +12% over the half year. In time, this growth will likely be reflected in charge-offs and sale volumes.

Capital management

An interim dividend of 32 cents per share (cps) has been declared in respect of H1 FY26, in line with the FY25 interim dividend and consistent with the long-standing practice of paying out ~50% of earnings.

As at 31 December 2025, net gearing of financial assets of 32% was similar to the position at 30 June 2025. Gearing remains very conservative relative to other debt buyers and specialty financial services operators both domestically and offshore.

Credit Corp is on track to achieve a Return on Equity (ROE) of 13% in FY26 (utilising 40% pro-forma gearing), up from 11% in FY25, reflecting improved US performance. Looking forward, the Company expects additional improvement in US segment performance, likely to drive ROE back to the investment hurdle of 16% in the medium term.

Humm acquisition

Pursuant to Credit Corp's non-binding, indicative offer (NBIO) for Humm Group Ltd (Humm), negotiations on a suitable confidentiality agreement are ongoing and due diligence has not yet commenced.

Humm fits with Credit Corp's existing strategic plan to grow its consumer lending business and delivers a point-of-sale distribution platform. The established Humm UK business is consistent with Credit Corp's own expansion into UK lending.

Humm's commercial leasing business is a segment leader and Credit Corp would seek to retain and grow this business.

We also anticipate synergies particularly in back-office support functions and IT systems.

Regardless of whether Humm can be acquired at a sensible price, Credit Corp has substantial organic growth opportunities within its existing businesses which provide the Company with a strong growth outlook.

Outlook and guidance

All elements of Credit Corp's initial guidance for FY26, issued in August 2025, remain unchanged. It should be noted that an increased proportion of purchased debt ledger (PDL) investment is now expected in AU/NZ with an offsetting smaller component in the US. Guidance is re-affirmed as follows:

PDL acquisitions	\$280 - \$330m
Gross lending volumes	\$350 - \$390m
NPAT	\$100 - \$110m
EPS	147 - 162 cents

This media release should be read in conjunction with the Appendix 4D, Consolidated Interim Financial Statements and the results presentation.

To watch the presentation, go to: <https://www.creditcorpgroup.com.au/investors/result-presentation-videos/>.

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